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MICHIGAN UNITED CONSERVATION CLUBS

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House Committee on Natural Resources

Wednesday, December 07, 2016

Re: SB 39-40 Public Land Legislation

Dear Representatives,

Thank you very much for this opportunity to provide testimony on SB 39-40 today.

We appreciate the Chair's willingness to listen to and consider our policy concerns and make substantive and significant strides towards addressing them.

We remain adamantly opposed to the Senate-passed version of SB 39. Many of our concerns have not changed through several drafts of these bills and these concerns have been communicated to the bill sponsor. We have offered to Chair LaFontaine several amendments, which I will highlight today along with the reasons why we have requested them.

First, the remaining issues of highest concern:

- Failure to pay PILT triggers the land cap, Sec 503 (3):
 - This is a hard cap on the land the DNR owns north of the Mason-Arenac Line, but does some allow transactions in process to go through.
 - This ignores the fact that it already is state law (324.2154) that the "state shall make payment in full to all local assessing districts" and it provides for penalty and interest if it is not. **There is no reason for yet another consequence that impacts the entire state.**
 - Our suggestion for an amendment was in the event of a failure to pay the law could restrict acquisitions by fund source since these are all different appropriation lines: if there was a failure to pay PILT on Game and Fish purchases lands, then Game and Fish would not be allowed to purchase lands until that payment is made. MNRTF would not be restricted if it was given to the full appropriations to make the PILT payments required.
 - An alternative to our suggestion is that the land cap would only be reinstated if the Treasury Department fails to make its payments in full and on time, not due to the failure of the legislature to provide for adequate appropriations as was the case in FY 2010-2012.
- Veto Power of Local Units of Government, Sec 503 (12): We have continued to ask for the removal of federal lands as well as commercial forest lands from consideration of this authority and believe that consultation, rather than veto power, is all that should be mandated.
 - There is nothing within the authority of the State of Michigan to change the presence of federal lands.
 - Commercial forestlands are private lands and enrolled in a tax program that is a creation of the legislature and not controlled by state or the local unit of government. Their presence or absence should have no bearing on state decisions.

- We should not give more authority to local units of government to veto or delay decisions that might benefit the residents of our entire state. There are current examples where in practice the local unit of government has held up acquisitions for boat access sites, which benefit all the residents and visitors, not just those in the local area. Montmorency County has already voted to reject an acquisition, which could have a chilling effect on a grant proposal before the Forest Legacy Program. Local units have this authority now to pass resolutions and indicate their concerns and it is listened to, but the DNR should not have to be bound by it if the benefits to the entire region and state outweigh the local concerns.
- Game and Fish Funds, Sec 2010 (3).
 - In this bill the game and fish fund purchased lands could only be managed to “enhance game and fish populations.” This may run counter to our actual game management needs. If wolves return to the game species list, do we want to enhance their populations? What about deer in the CWD and TB management zones? We can live with “enhancing habitat” and/or “managing game and fish populations”.
 - It is very difficult to prove that actions taken are not to benefit non game species, since most of our game species habitat management is going to also benefit non game.
- For all of the proposed mechanisms for land transactions, public notice and opportunity to comment is woefully inadequate (publishing in a newspaper a minimum of 10 days prior to a decision). We have suggested using the Natural Resources Commission meetings and perhaps even local public meetings in the affected areas to provide an assurance for public comment opportunities.
 - This should necessary scale up to more than a month and 2 NRC meetings for exchanges (2104), business requests (Sec 2101C), and sales of -non-surplus lands or lands that may change status from non-surplus to surplus (2137) and those designated surplus land exceeding 100 acres (Sec 2131) as follows
 - Draft language (similar to the NRC process for wildlife and fisheries orders)
 - a) A land transaction proposal shall be prepared by the department after comments from department field personnel and interested persons have been solicited and considered.
 - (b) The land transaction shall be on the commission agenda for at least 1 month prior to its consideration.
 - (c) The commission shall provide an opportunity for public comment on the order.
 - (d) The department shall approve, reject, or modify the order.
- Requested Surplus Lands: Page 27, Sec 2102C: Treating nearly all state land as “surplus” and allowing certain business interests to have an inside track on purchases.
 - MUCC believes that businesses interested in acquiring state land with the promise of expansion or “an economic or other benefit for a local unit of government or region” **should have to prove it** as part of the sale.
 - We have suggested the business submit a plan outlining their proposed impacts. Example: Axiom vs. Arauco. Also business should make an effort to purchase the surrounding private lands before approaching the state lands for which our citizens are already invested.
 - Finally, we believe this land in question, if deemed fit for sale and with a sound business/economic interest should be put up for bid. This allows any other business or entities to also indicate their interest and willingness to pay. **You can still set minimum bids (reserves) that would be the appraised and fair market value**, but this allows for competition in the free market at this point, which is typical for any real estate transactions where offers and counters may exceed fair market value, and may result in a greater benefit to Michigan’s residents from the sale of their assets.
- DNR Declared Surplus Lands: Page 30, Sec 2131: Virtually any state land may still be declared surplus except for state parks and state recreation areas, subjecting it to possible sale.

- This still leaves open for sale state game areas, state wildlife research areas, state fish hatcheries, and boating access sites. These lands and facilities have all enjoyed significant public investment and interest.
- Non Surplus-Designated Lands: Page 35, Sec 2137:
 - While we appreciate that no one can request that the DNR consider sale of state parks, rec areas, or state game areas, this still leaves state wildlife research areas, state fish hatcheries, and boating access sites at a potential risk.
 - The DNR SHALL consider all requests from businesses or individuals for these designated lands. There is no MAY. There is no way out and time and money must be spent on reviewing all requests, no matter how large/small, or the business's ability to produce what they promise.
- Fees: Throughout time, hunters, anglers and trappers, as well as the forest industry, have paid for the bulk of the management of our natural resources in Michigan. We should not have to subsidize the private interests attempting to buy public land on which we depend, and the DNR should be able to recoup the actual reasonable costs required for review of land transactions which at times can be very significant. We can support a minimum base fee for small land transactions to make it easier to administer and then the actual reasonable costs for transactions over a certain size.

We appreciate the positive direction for the following sections and offer these minor suggestions for improvement.

- Land Strategy:
 - The update of the public land strategy should include necessary public and representative input, which should be mandated in the process.
 - MUCC would prefer that the plan be adopted unless disapproved, as legislative approval has already left stakeholders, prospective land sellers and buyers, and the DNR in limbo for more than three years.
- Berm/Barrier process: While still very cumbersome, delaying this until after the forest road inventory (mandated by PA 288 of 2016) is completed should better prepare both the public and the DNR to answering the questions as to why there are remaining barriers.

Thank you for your time and consideration of MUCC's input.

Sincerely,

Amy Trotter
Deputy Director

